

**Questions & Answers
Pre-Proposal Conference
RFP DAMT01-02-R-0074
8 April 2003**

1. Cargo Booking – Please confirm that the POV Carrier is responsible for making the best value determination when obtaining ocean transportation on a designated route under the Universal Service Contract.

The GPC contractor (sic), acting as an agent for the Government, is responsible for using the best value ocean transportation as determined by MTMC, the shipper. The GPC contractor is responsible for booking shipments in accordance with the provisions of GPC PWS C.2.5.2 and its approved logistics plan. (Also, see Question 2 below.) As clarification, this requirement is not limited to the Universal Service Contracts and applies to the arrangement of all ocean transportation, including the Regional Domestic and other GDS contracts as well as ocean tariffs for Hawaii and Guam.

2. Best Value Determination – Please confirm that, when the POV Carrier is conducting a best value determination for cargo booking purposes, the POV Carrier may consider the cost and service benefits that each particular USC carrier provides to the POV Carrier, as well as the cost and service benefits provided to the customer (i.e., the government and service members).

While the GPC permits the contractor to make certain best value determinations in acquiring services through the Government directed sources for ocean transportation, the GPC contractor does so as an agent of MTMC and must act at all times in the best interests of MTMC and its customers, i.e., the service members and DOD civilian employees who are the direct beneficiaries of the service and the military services that ultimately bear the cost for the service. In determining best value, ocean transportation considerations for cost and service must be in terms of the benefits to the customers. Cost and service benefits to the GPC contractor may be a secondary consideration only to the extent that those benefits are in line with and support the best interests of the customers. As the Government's agent, the contractor is acting on the Government's behalf in booking the shipment of the POV. The contractor must comply with the provisions of C.2.5.2 and adhere to its approved logistics plan.

To further clarify this question, the logistics plan, which is evaluated as part of operational capability, will identify the ocean carriers, type of service (breakbulk or containerized), and routes the offeror proposes to use. The logistic plan will be evaluated to ensure the plan represents the best value in terms of efficiencies and economic value to the Government. A logistics plan

offering routings that are uneconomical or inefficient would not be evaluated as favorably as a plan offering efficient and economic routings. The logistics plan becomes part of the GPC at award and must be followed by the GPC contractor in performing the contract. Changes to the logistics plan during performance must be approved by the Contracting Officer.

3. Cost Responsibilities – Please confirm that the Government will reimburse the POV Carrier for the rates applicable for an “LL” move where the POV Carrier obtains ocean transportation for a POV booked with a container carrier under the Universal Service Contract. See Section C.2.6.

For the most part, POV shipments will be booked as breakbulk/RORO shipments on a port-to-port basis (“K” terms) (see C.2.5.3). GPC PWS C.2.6 states the GPC contractor is responsible for delivery of the POV to the applicable GDS POE and receipt of the POV at the applicable GDS POD, and the GPC contractor must include the cost of moving the POV to/from the port in its prices under the GPC. In the event that containerized shipment is authorized in accordance with the GPC contractor’s approved logistics plan, e.g., where breakbulk service is not available or does not represent the best overall value to the Government, shipments may be booked under “L” terms and the cost of drayage of the container to/from the port may be included in the ocean carriage pass through charges.

4. NISH – The current process for obtaining a proposal for future NISH services is flawed. NISH is asking potential offerors to submit their proprietary cost information to NISH. To maintain a level playing, NISH should be providing – through MTMC - a uniform subcontract price in the RFP for all potential offerors.

In accordance with GPC PWS C.2.4.3.2, the GPC contractor is required to subcontract with Diversified Industrial Concepts, Inc. for the operation of the Norfolk VPC. Diversified is responsible for providing vehicle processing services only. The facility, equipment, supplies and materials required for the operation of the VPC are the responsibility of the prime GPC contractor (reference PWS C.8.1). Diversified, through NISH, will provide a uniform proposal to all interested offerors covering its cost to provide the services required under C.2.4.3.2. Offerors are not required to provide any cost information to Diversified. Please contact Gary Juskowiak at NISH (877-282-3011) to obtain a copy of the proposal.

5. PowerTrack for GDS Contractors – Recommend that MTMC require USC carriers to obtain payment through PowerTrack for shipments booked by POV carrier. This process would result in significant savings for all parties. For example, the government would benefit by reducing its costs for manually processing POV carrier invoices, as well as obtaining lower prices from the POV carrier as result of lower carrying costs and billing/administrative costs.

Currently DOD uses PowerTrack only for containerized shipments. For the most part, GPC traffic moves as breakbulk shipments. In addition, the GPC and the USC/other GDS contracts require the GPC contractor to pay the ocean transportation charges directly and then obtain reimbursement from the Government. This process allows MTMC to accumulate and track all costs associated with the GPC in order to develop its billing rates for these services. Use of PowerTrack for the payment of GPC-related ocean charges is inconsistent with this approach and is not contemplated at this time.

6. Economic Price Adjustments – Recommend that MTMC include economic price adjustment provisions in the contract to address unforeseen changes in fuel prices and foreign currency exchange rates.

Non-concur. GPC is a fixed price contract and the contractor bears the risk of fuel cost increases and fluctuating foreign currency exchange rates, as well as other cost increases. Offerors should consider potential increases in these costs in developing their proposed prices. However, the contract does include a price adjustment provision for the potential award term years (years 6 through 10), which offerors should take into consideration in pricing those years. In addition, the contract provides for adjustments for changes in minimum wages and fringe benefits, where applicable, as a result of new Service Contract Act wage determinations issued by the Department of Labor (see FAR 52.222.43). Also note that bunker fuel and currency adjustments allowed under the GDS ocean contracts are recognized as reimbursable under the ocean carriage pass through charges.

7. Capability Statement Page 11 of 43 -- Are there any parameters on the 70-page limitation (e.g., margins, size of font, etc.)?

The solicitation will be amended to include the following parameters: Times New Roman font, size 12 with 1” margins.

8. Page 12 of 43 -- Please clarify what “slides” are being referred to by “Slide will be submitted with the submission of capability statement. Slides are not included with the 70 page count.”

Slides refer to oral presentation slides. They will be submitted in a sealed envelope with the proposal submission.

9. Past Performance Documentation Page 13 of 43 – Typically, past performance evaluations go back only three years (see FAR 42.1503(e) – “The past performance information shall not be retained to provide source selection information for longer than three years after completion of contract performance.”) MTMC should reduce the period in the solicitation from 5 years to 3 years. Page 13 of 43 – The solicitation requires offerors to “submit a complete record of its performance in providing same services under existing and

prior contracts,” and allows offerors to “submit information concerning contracts (and subcontracts, if any) which are in any way similar to the work required by the solicitation.” Separately or in combination, the number of contracts within the scope of these provisions could be voluminous and redundant. MTMC should set a limitation on the number of contracts (e.g., 3 or 5) identified for each entity -- prime contractor and subcontractor(s) – so that MTMC can focus on the most relevant contracts.

Non-concur. Five years history allows for more information and gives offerors a wider range from which to identify relevant performance history. It is up to the contractor to furnish the most relevant information. The Government does not restrict offerors to a specific number of past contracts for submission.

10. Small Business Subcontracting Plan: Please confirm that GDS ocean carriers are not to be included in calculating small business goals.

No, the cost associated with the GDS ocean carriage is not included in the calculation of subcontracting goals.

11. What subcontract business category, if any, should the NISH subcontract be classified?

NISH is not counted in the small business goals because NISH is a separate program.

12. Award Term: FAR 17.206 provides for the evaluation of options “when it has been determined prior to soliciting offers that the Government is likely to exercise the options.” How can MTMC evaluate award term years like they were options where: (a) the award term years are not options in that the government does not have a unilateral right to exercise award term years; and (b) the Government cannot reasonably determine that it is likely to exercise award terms years because the contractor must satisfy many conditions precedent before being granted and maintaining an award term?

Award terms are not options; however, we believe that the GAO/courts would treat award terms as options for the purpose of determining whether the competition requirements of FAR Part 6 were met prior to award of the additional performance period. Under FAR Part 6, options must be evaluated at the time of award to be considered to have been competitively awarded. Unevaluated options are treated as non-competitive awards and require justification and approval (J&A) under FAR Part 6 prior to exercise. In order to ensure that the award terms satisfy the same competition requirements, the award term prices must be evaluated at the time of contract award. Therefore, the evaluated price of the GPC will be the sum of the base period and all options and award term years.

13. Performance work statement: Section C.1.2 -- For clarity, recommend adding the following at the beginning of C.1.2: "This is a requirements contract."

The contract is identified as a requirements contract at Section 52.216-1 of the RFP and the "Requirements" contract clause is included at Section 52.216-21.

14. Section C.1.4 – The PWS states that the "contractor shall make every effort to move the POV to destination as soon as possible." Does "every effort" include booking the POV with the ocean carrier that offers the shortest transit time?

No, unless the ocean carrier offering the shortest transit time also meets the requirements of PWS C.2.5.2. In accordance with PWS C.2.5.2, "The contractor shall book shipments, whenever possible, with the "Best Value" or low cost US flag ocean carrier that participates in VISA and is able to meet specified delivery requirements." Section C.1.4 deals with the establishment of the Required Delivery Date (RDD). The contractor must consider all pertinent requirements of the contract in developing the RDD.

15. Section C.1.4 – Recommend revising the last sentence to provide the RDD requirements for Quality of Life sites "will begin and end when the POV arrives at the Full Service VPC serving the QoL site."

No change. For a POV destined to a Quality of Life site (QoL), the transit time, for the purpose of determining whether the RDD has been met, ends when the POV arrives at the Full Service VPC serving the QoL site. However, for a POV originating at a QoL site, transit time begins when the contractor accepts the vehicle at the QoL site and provides the RDD to the shipper (customer or Government agent) at that time. The contractor controls the movement of the POV from then on and must insure it delivers the vehicle on time at the destination.

16. Section C.2.4 – Recommend revising the last sentence as follows to distinguish CO/COs from GO/COs: "The selection, construction, upkeep, purchase, lease or rental of any commercial structure, land or equipment for CO/CO facilities will be the responsibility of the contractor."

Agree. The PWS will be changed to adding "CO/CO" to this sentence.

17. Section C.2.4.3 – To ensure a level playing field, MTMC should obtain the subcontract prices from NISH that would apply to all potential offerors, and provide for an equitable adjustment in the event that NISH somehow increases its prices during contract performance (or at least relieve the contractor from the directed source requirements should NISH subcontract prices increase).

See Question #4 above. The GPC contractor bears the risk of price increases by Diversified, except price adjustments authorized by clause 52.222-43, Fair

Labor Standards Act and Service Contract Act – Price Adjustment (Multiple Year and Option Contracts). See C.2.4.3.3. Diversified is a mandatory source as provided by the Javits-Wagner-O’Day Act, 41 U.S.C. 48, and implementing regulations, 41 C.F.R. 51-2.

18. Section C.4 – Please confirm that the contractor will be entitled to an equitable adjustment in the event that a change in applicable Federal, State, Local, or Host Nation laws results in a material increase in the cost of performance.

This cannot be confirmed. This is a fixed price contract. The contractor bears the risk of increased costs or difficulty of performance due to changes in public laws and other sovereign acts by the United States or other governments.

19. Section C.8.11 – Please confirm that a web-based application can be used to satisfy the requirements of C.8.11.

Yes, if suitable to meet the requirement.

20. Section C.8.12 – Please clarify the requirement to furnish CORs with computer hardware. Is the requirement for the contractor to provide the COR with computer access at the VPCs?

The requirement is to provide the CORs with their own computer to fulfill their assigned duties. Sharing a computer will not suffice.

21. Section C.8.13 – Please delete the requirements to provide paper copies of electronic reports sent to the contracting officer.

Agree. The PWS has been changed to allow electronic reports (unless requested by Contracting Officer).

22. Section C.8.13.3 – Please delete last sentence because there are no percentage requirements in USC-04.

The last sentence will be deleted.

23. Section C.9.7.5 – Section C.9.7.5 limits the mileage on stored POVs to .5 miles per month, whereas Performance Objective No. 7 provides for .2 miles per month. Please clarify the inconsistency.

Performance objective corrected to read .5 miles per month.

24. Please clarify the CLIN structure as there appears to be some inconsistencies with the CLIN numbering system in the provided spreadsheets. For example, two different rates are applied to the same CLIN number 0308 (Northern Italy and Naples). Similarly, duplications are made throughout the 300 series for the first option and third option years. The second option year appears to be the correct pattern. Should they not be consistent?

Spreadsheet is being corrected as noted above.

25. RATE SCHEDULES: Section V is showing as schedule IX. We cannot find schedule IX although it is referenced on page 2 number 5, CLINS broken down in schedules.

The title of the Schedule for movement between Full Service CONUS VPCs and Partial Service locations (CLINs 0500, 1500, etc., in Attachment 7) has been corrected to read Schedule V. Schedule IX refers to the Ocean Carriage Pass-Through Charges (CLINs 0900, 1900, etc., in Attachment 7), currently showing Schedule VIII in the title. This error and a similar error in the title of the schedule for Out of Pocket Expenses (CLINs 0800, 1800, etc., in Attachment 7) will also be corrected.

26. Scope of Work – Section C.2.2 partial service refers to compensation for schedules IV, V and VI. We can not locate Section VI.

The title for Schedule VI (CLINs 0600, 1600, etc. in Attachment 7) has been corrected.

27. Scope of Work – Section C.2.3 hardlift POVs. Schedule VI does not exist and schedule IX is partial service.

See above. Typos corrected.

28. APPENDIX C: Page 22, General codes and matrix codes do not match. For example, Germany GE can not be located on appendix C transit times.

Agree. Appendix C will be corrected. The Trade Route Identification Code listed by Alpha for Germany is incorrect. It should be JP.

29. APPENDIX H VOLUMES: Hardlift volumes/statistical volumes were provided in the draft but are not provided in the final RFP. Please Clarify.

The hardlift volumes were omitted because they may not be representative of future volumes. However, we will include them in Appendix H to illustrate past hardlift movements. The volumes are provided for information purposes only and should not be considered to be estimates of future volumes.

30. APPENDIX F Direct Ocean Booking Procedures refer to section H-6 in USC-04. There is no such section in USC-04.

This will be clarified. The requirement to obtain a U.S. Flag non-availability determination (authorization to use foreign flag vessel service) from MTMC remains valid.

31. Brandon England is a GO/CO and Lakenheath is a CO/CO. Are they one and the same location?

They are the same. The contract requires the contractor to establish a CO/CO VPC within a 25 mile radius of Lakenheath/Mindenhall. Brandon is the location of current CO/CO VPC.

32. Please clarify that contractor must store abandoned vehicles for 180 days without compensation.

This is correct. The time is required for the Government to process the POVs as abandoned under its regulations. The vehicles are not considered to be stored POVs under the GPC but rather are held at the destination VPC until abandonment processing is completed. The designation is because the vehicles are not serviced by the contractor.

33. Are Guam and Puerto Rico considered as US Territories in terms of the subcontracting Plan?

Yes. Reference Page 18 of RFP (Para d.)

34. Is the logistics plan included in the 70 pages of the operational capability?

No. Amendment 0002 will clarify that the logistics plan is not included in the 70 page limit.

35. Can you please clarify the qualification process to make it to the oral presentation?

The proposal must contain the information requested in the proposal submission requirements and, to be in the competitive range, have a reasonable chance of being considered for award.

36. If CORs only are on site monthly, how will weekly billing be approved?

Workload certification is accomplished electronically via the CAB system.

37. Do all prices (e.g. miscellaneous services) have an associated volume so that the extended price for such services is included in the total evaluated price?

Yes. See Attachment #7 – Line Item Pricing. Estimated quantities are listed for each priced CLIN/sub-CLIN. The total evaluated price will reflect the sum of all priced CLINs/sub-CLINs for the base two-year period and all options and potential award term years.

38. You mentioned a State Department pilot program that may be extended. How would that extension affect the project volumes?

The State Department pilot program involves hardlift shipments to/from Africa. We are in the process of expanding this program to worldwide. The GPC contractor's responsibility for hardlift shipments is relatively limited (see Appendix H and C.2.3) in that the movement of the POV to/from the hardlift location is handled by the State Department or by the Government through the Defense Transportation System (DTS). In each case, the GPC contractor's duties are substantially the same. In addition, the volume of shipments moving to/from hardlift locations is relatively small, so extension, elimination, or expansion of the pilot program is not expected to significantly impact GPC volumes.

39. Are there any plans to transition DOD service VPCs to contractor VPCs?

It is possible but unknown at this time. In the event the Government directed such a transition, it would be handled as a change to contract.

40. Destination Delivery: Residential or VPC only?

With the exception of bluebark and medical evacuation shipments, which generally require delivery of the POV to a residence, POVs will be delivered to the destination VPC, QoL site, or partial service delivery location, or turned over to the State Department despatch agent or DTS service provider for hardlift movements. (Note: The contractor's responsibility for POVs destined to partial service locations varies, depending on the partial service location. Appendix K identifies the receipt/delivery point for each partial service location. The contractor's responsibilities and receipt/delivery points for QoL sites are identified in Appendix B under the full service VPC serving each QoL site.)

41. 75,000 vehicles over previous 4-year period or per year?

The estimated volume is approximately 75,000 vehicles per year. Please note that this number and the estimated quantities in the schedules at Attachment 7 are estimates only and do not represent a minimum or guarantee of the volume of POVs to be shipped under this contract.

42. VPC Hours of Operation? Storage at VPC site permitted or is storage at separate location?

See Appendix B for hours of operation for contractor-operated VPCs. POVs must be stored within CONUS but the number and location of the storage sites are determined by the contractor (see Question 51 below). Storage at the CONUS VPCs is one option for satisfying this requirement.

43. Do you have preferred format: (PowerPoint?)

There is no preferred format for the oral presentation slides. The Government will provide an overhead projector (for slide transparencies), screen, and chart stand for the offeror's use during the presentation. Offerors may bring their own equipment if desired.

44. How should slides be packed with proposal?

The oral presentation slides will be provided in a sealed envelope with the offeror's proposal

45. Must slides submitted with the proposal be the same as the slides presented during the oral presentation?

Yes.

46. What is the total number of points assigned to the capability statement? What are the points assigned to each section? Price?

The capability statement and sections of the offeror's proposal are not point scored but will be evaluated, based on the factors identified in FAR 52.212-2 and the addendum thereto, using adjectival ratings. Price will be evaluated for reasonableness based on the total price for all years. Award will be made to that offeror whose proposal offers the best overall value to the Government considering both price and the non-price factors of concept of operations, past performance, and small business subcontracting plan. The non-price factors are relatively equal in importance and, when combined, are approximately equal to price.

47. According to the solicitation, the capability statement is equal in points to the price proposal. If this is the case, how many points is the oral presentation?

As discussed above, proposals will not be evaluated using a point scoring method. The capability statement is not an evaluation factor. It is that portion of the offeror's proposal in which the offeror addresses the non-price evaluation factors of concept of operations (excluding the oral presentation), past performance, and small business subcontracting plan. The capability statement, together with the offeror's price proposal and oral presentation, forms the offeror's proposal. The offeror's proposal is evaluated based on price and the non-price factors of concept of operations, past performance,

and small business subcontracting plan. As discussed above, the non-price factors are of equal importance and, when combined, are approximately equal in importance to price. The oral presentation/understanding the Government's requirement is one of three sub-factors of concept of operations. The other two sub-factors are operational capability and management capability. All three sub-factors are of equal importance to each other. See FAR 52.212-2 (and the addendum thereto) for discussion of the evaluation factors and specifically page 17 of the RFP for discussion of the relative importance of the factors and sub-factors.

48. Is the total evaluation more than 100 points?

See above; points are not applicable.

49. Based on the Q&A (from the pre-solicitation conference), we anticipated that offers would be due 60-70 days after the RFP was issued. The RFP allows a considerably shorter time. We request that you acknowledge the level of effort that will be required to prepare a proposal and extend the due date to allow 60-70 days for proposal preparation.

We do not have plans to extend the proposal due date at this time. The draft RFP has been out since Sep 02. The final RFP is substantially the same as the draft RFP with the exception of the addition of the award term provision. The estimated quantities, services required, and performance locations are with few exceptions identical to those contained in the draft RFP.

50. In regard to the west coast storage facility, there is a substantial differential between incoming and outgoing POVs. Is there an existing inventory of POVs that is substantially greater than the number expected to be stored in the future? Can you provide us with some statistics on the maximum number of vehicles that are stored at one time in each region?

Estimated quantities in the schedule have been revised to correct the discrepancy.

51. Space Requirements (minimum) for each storage site?

We do not specify space requirements. The contractor is free to establish storage sites anywhere in CONUS that it believes will be economical, logistically practical and represents the best value to the Government.